Testimony of

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HB 6376 An Act Creating a Respectful and Open World for Natural Hair

HB 6377 An Act Concerning Labor Peace Agreements and A Modern and Equitable Cannabis Workforce

HB 6378 An Act Codifying Prevailing Wage Contract Rates

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HB 6381 An Act Establishing a Task Force Regarding the State Workforce and Retiring Employees

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HB 6383 An Act Concerning Call Centers and Notice of Closures

SB 836 An Act Concerning Permanent Partial Disability and Pension Offsets

Good afternoon Senator Kushner, Representative Porter and the hardworking members of the Labor & Public Employees Committee. My name is Sal Luciano, and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 220,000 members in the private sector, public sector, and building trades. Our members live and work in every city and town in our state and reflect the diversity that makes Connecticut great. Thank you for the opportunity to testify today on a number of bills important to Connecticut's working families.

HB 6376 An Act Creating a Respectful and Open World for Natural Hair - SUPPORT

HB 6376 provides an opportunity for Connecticut to take another step toward racial equality. While existing state and federal laws prohibit racial discrimination in schools and workplaces, one area has not legally evolved – natural and protective hairstyles. Without adding protections in the law like HB 6376, natural and protective hairstyles can serve as a proxy for race, leaving the door open for employers to continue practicing racial discrimination.

For generations, racism has shaped society's near-exclusive embrace of Eurocentric beauty standards and ideas of what constitutes a professional appearance. It's no surprise that over time, those possessing features not considered European have felt pressure to alter their appearances in order to find employment, advance on the job and provide comfort to white employers. Those alterations have often included harmful styling practices to alter the natural characteristics of their hair like heat straightening or chemical permanent relaxers, both of which can lead to hair damage and hair loss.

By advancing the acceptance of protective hairstyles within workforce, this bill will draw attention to cultural and racial sensitivity in the workplace. Ultimately this bill aims to reform the Eurocentric image of professionalism in order to ensure and protect diversity in the workplace.

California, New York and New Jersey have already passed CROWN Acts and dozens of other states are considering similar legislation. We urge the Committee to support this bill.

HB 6377 An Act Concerning Labor Peace Agreements and A Modern and Equitable Cannabis Workforce - SUPPORT

We thank the Committee Chairs for raising this important bill and recognizing the role the General Assembly can play in setting equity standards and worker protections as conditions for authorizing a new industry. If Connecticut is going to join our surrounding states in legalizing marijuana, it's important that we build the foundation to ensure that the jobs created will be a net positive for our state and those most adversely impacted by the war on drugs have opportunities to create new careers, establish thriving businesses and build economic security.

A labor peace agreement is an arrangement between an employer and a union in which one or both sides agree to waive certain rights with regard to union organizing and related activity. The essential purpose is to compel employers to grant organizing concessions in exchange for promises not to strike, picket or otherwise disrupt an employer's operations. Typical employer concessions can include allowing union organizers into the workplace, refraining from expressing negative opinions about a union and intervening in an organizing campaign, and recognizing a union based on signed cards rather than by the results of a secret ballot election.

The marijuana industry is a job generator. Without labor peace agreements, there's no guarantee that that these jobs will be well paid, safe, and respectable jobs. Providing livable wages, health insurance, retirement benefits, and paid leave in excess of minimum state requirements will provide stability that will lessen turnover and reduce involvement in the underground market. Labor peace also protects the health and welfare of workers and consumers. A well-trained workforce will be able to produce quality products that meet product safety standards. They will make sure that the establishment and equipment used is clean and safe.

Collective bargaining agreements can also help address disparities in the market by providing equal opportunities for women, people of color, LGBTQ individuals, veterans, and people with disabilities to own businesses or work within the industry. They also ensure that workers have an independent voice and can speak out about any compliance concerns without fear of retaliation. Workers on the front line are often the first to note health, safety, and environmental problems.

We urge the Committee to support this bill.

HB 6378 An Act Codifying Prevailing Wage Contract Rates - SUPPORT

In the 1930's, the federal government and 18 states, including Connecticut, adopted prevailing wage laws to ensure that the hourly wages paid to construction workers in that area were maintained, and prevented low bid requirements from reducing the market price for labor to levels that would disrupt the local economy. The prevailing wage rate consists of a base rate and a fringe benefit rate which may be paid in cash and/or benefits. It only applies on new construction of a public works project is $1 million and public works renovation projects of $100,000.

Connecticut's prevailing wage rates are determined by the U.S. Department of Labor by conducting wage surveys. In Connecticut, the rates determined through collective bargaining are the prevailing wage rate.

This means that, through the U.S. DOL's wage survey process, it is determined that the collective bargaining rate is the market rate. HB 6378 seeks to codify what is already in practice. Since the rate determined through collective bargaining agreements (CBA) is the prevailing market rate on building and heavy & highway work, there would be no change for any contracting if HB 6378 were enacted.

The Connecticut Department of Labor must update the prevailing wage rates every July 1st. The U.S. Department of Labor must also update any rates to reflect any escalations or changes to a classification. Unfortunately, the U.S. DOL has not always been timely or reliable in updating their wage determinations. This has led to administrative delays within the Connecticut DOL and created unnecessary confusion for contractors.

HB 6378 will protect our state's construction industry from any attempts to artificially drive down wages. We urge the Committee to support this bill.

HB 6379 An Act Concerning Workers' Rights

HB 6379 requires the Labor Commissioner to adopt regulations regarding workers' rights. One subject that requires urgent legislative and regulatory attention is the growing use of non-compete agreements.

Non-compete agreements are contracts between workers and firms that delay employees' ability to work for competing businesses. Employers use these agreements for a variety of reasons, including protecting trade secrets or reducing costs associated with turnover.

Traditionally, non-compete clauses were found in contracts for highly paid senior managerial and executive employees who have access to sensitive information or develop personal relationships to clients. Non-compete clauses help protect companies that fear employees will leave and take those assets to a competitor. Today, low-wage employers, even in the service, restaurant and hospitality industries, commonly require non-compete agreements for entry-level positions. This is an abuse of power and must be checked.

Amazon requires its warehouse employees to sign agreements that promise:

> *"During employment and for 18 months after the separation date, employee will not … engage in or support the development, manufacture, marketing or sale of any product or service that competes or is intended to compete with any product or service sold, offered or otherwise provided by Amazon."*[1]

Fast food restaurants are also players in this arena. Washington Attorney General Bob Ferguson's Anti-Trust Division began investigating "no poaching" clauses in franchise agreements in 2018. They discovered provisions that prohibited employees from moving among restaurants in the same corporate chain. Only when threatened with a lawsuit, did seven corporate fast-food chains agree to end this practice.[2]

The growing use of non-compete agreements is another way employers are rigging the system. By eliminating a worker's right to move to a better paying position, they artificially suppress wages, which in turn reduces overall economic growth. That is why 27 states, including Massachusetts, New York, Maine and New Hampshire, have passed legislation governing non-compete clauses.

While HB 6379 provides some protection for workers by limiting the duration of non-compete agreements and setting a wage threshold for workers who may be asked to sign one, we urge the Committee to protect vulnerable workers by prohibiting the use non-compete agreements where they are not warranted.

[1] http://www.milkenreview.org/articles/the-rigged-labor-market

[2] https://www.atg.wa.gov/news/news-releases/ag-ferguson-announces-fast-food-chains-will-end-restrictions-low-wage-workers

HB 6380 An Act Concerning the Disclosure of Salary Range for a Vacant Position - SUPPORT

The gender wage gap, created over decades, still persists in Connecticut and nationally. Today, Connecticut women earn an average of $0.84 cents for every dollar paid to men. The gender wage gap is more severe for women of color:

- Asian women working full time, year-round earn $0.83
- Black women working full time, year-round earn $0.57
- Native women working full time, year-round earn $0.55
- Latina women working full time, year-round earn $0.48

Women in unions, working under negotiated collective bargaining agreements, are more likely to be paid higher, fairer wages and have better access to health insurance, pensions and other benefits. More must be done to afford these same protections to non-union female workers.

The Connecticut AFL-CIO applauds the work already done by the Connecticut General Assembly, led by this Committee, to help close the gender wage gap. Public Act 15-196 prohibited pay secrecy and Public Act 18-8 prohibits the use of salary history in the application process. HB 6380 takes another step forward by requiring employers to provide prospective employees with the wage range of the position for which they are applying.

Many employers ask job applicants about their current or prior salary. This practice particularly harms women, who face conscious and unconscious discrimination in the workplace. Employers who rely on salary history to select job applicants and to set new hires' pay tend to perpetuate gender- and race-based disparities in their workforce.

Some employers use salary history to screen out job applicants, assuming that someone whose salary is "too high" would not be interested in a lower-paying job and that someone whose salary is "too low" does not have sufficient skill, knowledge, or experience for the position. Using salary history to evaluate and compare applicants' job responsibilities and achievements assumes that prior salaries are an accurate measure of an applicant's experience and achievements, and not the product of discrimination or gender bias.

Relying on salary history to make hiring decisions also ignores the fact that women are more likely to have worked in lower-paid, female-dominated professions. It also ignores the fact that women still shoulder the majority of caregiving responsibilities and are more likely than men to reduce their hours or leave the workforce to care for children and other family members.

Providing a salary range also empowers applicants to advocate and negotiate for themselves. When job applicants are informed, they can more successfully negotiate their compensation, which helps close the wage gap. Without that information, women often ask for less than their male counterparts, even when they better qualified for the position.

We urge the Committee to maintain its efforts to close the gender wage gap by supporting this bill.

HB 6381 An Act Establishing a Task Force Regarding the State Workforce and Retiring Employees - SUPPORT

Connecticut is facing an impending "silver tsunami." A massive wave of state employee retirements is expected to begin in the next two years. A quarter of state employees - nearly 15,000 career public servants - will be eligible to retire on July 1, 2022. With their retirement will come a huge loss of institutional knowledge, experience and expertise. HB 6381 takes a responsible approach to respond to this sea change by convening a task force of informed and vested stakeholders to make recommendations on succession

planning. Part of the charge also requires the task force to identify barriers to recruit the next generation of managerial and exempt professionals. We urge the Committee to support this bill.

HB 6382 An Act Strengthening the Probate Court System - SUPPORT

Probate courts, which handle the administration of estates, conservatorships, trusts, adoptions and other children's issues, were regionalized in a 2011 restructuring meant to bring uniformity and fairness to the system and to save money. Statewide, there are 54 probate courts and six regional children's probate courts.

Probate court judges are the only elected members of the Connecticut judicial branch elected. They are elected in partisan elections and hold office for four-year terms. Probate court judges have exclusive discretion in the selection and compensation of court staff. Therefore, probate court employees are at-will employees who serve at the pleasure of an elected judge. They could lose their jobs if judges they serve do not seek re-election or are defeated at the polls. They can also be fired for speaking up.

In addition to having little or no job security, probate court employees are also significantly underpaid compared with state employees in similar jobs in the Judicial Branch. Their compensation and benefits are determined by the Probate Court Budget Committee, but the compensation for other Judicial Branch employees is bargained. Probate court employees pay higher health insurance premiums, have less vacation and sick time and have no ability to transfer from court to court.

Probate court employees should have the right to organize and engage in collective bargaining and to enjoy the same salaries, benefits and job security as state Judicial Branch employees in comparable positions. HB 6382 would confer those rights. We urge the Committee to support this bill.

HB 6383 An Act Concerning Call Centers and Notice of Closures - SUPPORT

Connecticut has lost thousands of call center jobs in the last few years. Though they provide an important source of economic growth in local communities, no other position is as easy to move out-of-state or overseas as a call center job. When these services are outsourced to low-wage contractors, communities lose yet another large pool of family-supporting jobs. The closing of call centers also creates higher unemployment claims and costs for the state of Connecticut. Sadly, this practice has become all too common:

Since 2012, Verizon Wireless has closed 19 call centers affecting 11,000 workers. Verizon Wireless also as a long history of union busting, including shutting call centers when workers try to organize.

Last year, Wells Fargo laid off thousands of call center workers across the country, while its presence grew from just 100 in 2011 to more than 4,000 today, with plans to expand to an additional 7,000 employees, in the Philippines.

AT&T, which announced in 2019 that it would move more than one hundred call center jobs from Meriden, Connecticut to Tennessee and Georgia, has eliminated more than 12,000 in-house call center jobs since 2017 and uses a network of at least 38 call centers in eight countries.

The list goes on and on. The Trump Administration's 2017 *Tax* Cuts and Jobs Act further incentivized moving call center jobs out of the country by lowering tax rates for offshore profits. We must act to protect Connecticut's call center jobs.

HB 6383 requires call center employers to provide at least 100 days' notice to the Department of Labor before relocating to another state or another country. Those who fail to comply could be fined up to $10,000 per day. HB 6383 also prevents call center employers that have relocated out of the state from accessing direct or indirect grants, guaranteed loans, tax benefits or other state financial support for a period of five years.

Taxpayer funds should not act as a backdoor subsidy for companies to export customer service jobs. We urge the Committee to support this bill.

SB 836 An Act Concerning Permanent Partial Disability and Pension Offsets - SUPPORT

This bill prohibits municipal or special taxing district pension systems from diminishing or eliminating a retiree's rights or benefits due to the retiree's receipt of workers' compensation permanent partial disability benefits on or after October 1, 2020. Under the state's workers' compensation statute, when a physician indicates that a claimant has reached maximum medical improvement from a work-related injury, the claimant may receive permanent partial disability benefits if the injury consists of a substantial loss of a body part or a permanent partial loss of function. Workers who have sustained such injury should not also be subjected to reduced pension benefits. We urge the Committee to support this bill.